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Redefining managerial effectiveness in a multilevel organization: a structurationist account.

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SOM theme A: Intra-firm coordination and change

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ABSTRACT

Turnaround processes in organizations entail complex redefinition processes including redefining effectiveness. Modern management theories, such as the competing values approach, do acknowledge different effectiveness criteria but exclusively focus on the content of shifting managerial emphasis among these criteria, not on its how and why. This article questions the construction of managerial effectiveness in organizations from a structurationist perspective, emphasizing the multilevel character of organizations. From this perspective, managerial effectiveness loses its external and static properties and becomes a socially defined, possibly ambiguous, construct.

The multiple definitions of effectiveness that arose in a large retail organization as a consequence of substantial restructuring are described. It is shown that middle managers coped with and reworked partly conflicting norms of effectiveness that were espoused by higher echelons in different ways, some more proactively than others. The data collected for this organization suggest that a) even when the structural properties of the organization are very constraining, different definitions may develop; b) managers may have their own agenda for the organization and may take a broader frame of reference (seek inspiration in other social systems as well) in the process of redefinition; c) managers who have their own clear image of managerial effectiveness are sometimes seen as more effective by senior management; d) even if these managers disobey the rules of the system from time to time.

In mainstream theories the equivocality of the concept managerial effectiveness is still too often taken for granted. Organizations change and become more effective through their members, who influence each other across levels, and are influenced by the structural properties of the social systems they engage in. Organizational change processes may benefit by analyzing the local nature of the effectiveness concept from the perspective of different social systems, and by questioning its equivocality and homogeneity.

1. INTRODUCTION

Once, during a lecture to our students, a manager from Buyhouse, a large retail organization, remarked (much to the surprise of our students) that managing at Buyhouse in many respects resembled playing a game of beach soccer. He went on to enlarge on that metaphor and it slowly dawned on us that what he meant to convey bore a striking resemblance to Wieck's famous soccer-game metaphor for organizations (1976): a game in which neither the rules are fixed, nor the number of players or the boundaries of the playing-field are fixed. He expanded this portrayal of confusion by introducing an element of foul play: fellowplayers who suddenly turn out to be adversaries and try to tackle you.

At that time we were conducting a research project into this divisionalized organization with a matrix structure, which centered on the most effective management strategy for the middle managers of a division consisting of thirty department stores. With hindsight it may be said that this depiction of the setting in which the manager of this division enacted his role is illustrative of a central theme of this paper: the way in which middle management copes with and reworks the ambiguity that emanates from other organizational echelons. The empirical question we want to address is in what way is the management of the meaning of 'managerial effectiveness' for middle managers in an multilevel organization influenced by the structural properties of the social systems in which the managers participate?

One possible proposition would be that the ambiguity at the higher levels of the organization are mirrored by heterogeneous conceptions of managerial effectiveness among store managers and, as a result of this, a great variety of managerial strategies are put forward to achieve effectiveness. A contrasting proposition could be that despite this ambiguity in expectations from organizational stakeholders, other structural properties of the organizational system far too much constraint on store managers to enable a choice of managerial strategy reflecting different conceptions of effectiveness.

The theoretical interest that informed our research project involved the application of elements of Giddens's (1984) structuration theory as a framework for analyzing management of meaning within institutions. As Whittington (1992) points out,

attention to his work in organization studies tends to be onesided. The interest in Giddens's theory has mainly helped to reconcile structural and agency accounts of organization. However, another element in Giddens's writings has been neglected: the broader multidimensional institutional contexts in which interaction takes place. As a consequence, actors in organizations may draw on rules of conduct that originate from different social systems. It seems to us that with these remarks Whittington intended to tie together organizational and supra-organizational analysis. With our analysis of Buyhouse we want to show how structuration theory can augment our understanding of middle managers' conceptualization of managerial effectiveness.

Anticipating the presentation of our results, our data, among other things, confirm Golden's (1992) finding that in a company with a culture that severely limits the range of human action, formal order never fully takes over. Some managers question and disobey rules and procedures. At Buyhouse they turn out to be the ones that get promoted by the system; that is, they are seen as effective by their superiors. We will explain how their coping patterns differ from the others.

Before presenting our results we will give an outline of our theoretical framework. This theoretical section briefly explains why we have taken a structurationist approach to the concept of effectiveness, and subsequently addresses the multidimensional structuration of organizational reality. Next, we will pay attention to the research method used and then present and discuss our results. In the concluding section we will focus on the implications of our study for research as well as practice.

2. THEORETICAL FRAMEWORK

In this section we will specify our theoretical position concerning the two central themes

of this paper: 'managerial effectiveness' and 'organizational structuration'. The empirical question springs from the intersection of these two concepts.

2.1 MANAGERIAL EFFECTIVENESS

To varying degrees, the aim of organization and management theory has always been to gain practical knowledge, or to generate normative theories. This is also manifested in the effectiveness concept, which lies at the heart of many organization theories (Lewin and Minton, 1987). At the same time the literature shows an uneasiness with the fact that, when scrutinized more closely, effectiveness keeps proving to be an elusive concept. Difficulties pertain to definitions, levels of analysis, criteria for measurement, and predictors for effectiveness (Goodman, Atkin and Schoorman, 1983; Shenhav, Shrum and Alon, 1994). The quest for universal theories of effectiveness seems doomed to failure in the face of the complexity of organizations.

According to the principal agents theory (e.g. MacDonald, 1984) managers pursue value-maximizing ends in proportion to the buffers they can secure for themselves against the demands and pressures put on them. Here, managerial effectiveness is evaluated from an external, economic perspective. Managerial leadership theory stresses the competing values that are concurrently put forward. This approach (e.g. Quinn, Faerman, Thompson, and McGrath, 1990) does explicitly acknowledge different (competing) effectiveness criteria and specifies accompanying effective managerial roles, but exclusively focusses on shifting managerial emphasis among these roles. Neither theory generates insights into why or how the concept of managerial effectiveness changes.

A social constructivist view approaches effectiveness from a different point of view. It helps to concentrate on the ways in which skillful practitioners make sense of their organizational situation, and how they come to define the content of effectiveness. From this perspective, the body of knowledge is to be seen as part of the institutionalized context in which managers operate¹. Effectiveness is no longer considered as a predetermined, externally defined construct, independent of the subject. Instead it is seen as emerging and developing within a specific social context through interaction processes (Maas, 1988). In the terms of Weick and Daft (1983), the content of effectiveness is

socially negotiated.

Nevertheless, while on the one hand the outcome of this negotiation is not pre-determined, on the other the negotiation itself is not value- and power-free, and existing practices will influence the interaction. In the appraisal of managerial effectiveness a great deal of attention is generally paid to the positive choices of managers, while in reality the individual, societal and institutional webs of relations they are embedded in influence, constrain, and even define their range of choices (Neu, 1992). An structurationist framework acknowledges both the socially constructed nature of 'effectiveness' and the institutional influences on this construction process.

2.2 MULTIDIMENSIONAL STRUCTURATION OF ORGANIZATIONAL REALITY

In recent years Giddens's structurationist framework has received ample attention in organization and management writings (Whittington, 1992). Giddens's (e.g. 1984) Structuration Theory provides a 'user-friendly' set of 'sensitizing' concepts that may be of use in social analysis (Layder, 1994). In this section we will only focus on its contributions to our research.

duality of structure

Giddens's notion of 'duality of structure' tries to overcome the action-structure and micro-macro dualisms. Giddens rejects the idea of structural forces which 'externally' constrain and determine behavior. Instead the reasons and motivations of skilled people determine behavior. It is people who produce and reproduce existing or established structural properties of social practices through their very activities as they go about their daily practice.

But at the same time institutions pre-exist individuals. In their constitutive interactions, people are enabled and constrained by the structural properties of these systems. These properties define both the rules (techniques, norms, procedures) guiding action and the resources (allocative or material and authoritative or non-material) empowering action (Giddens, 1984, pp. 21, 258).

In a nutshell, 'duality of structure' means that the structural properties of the organization are to be seen as both the medium and the outcome of human interaction processes. Social practices reflect the ability of humans to modify the circumstances in which they find themselves, while simultaneously recreating the social conditions (rules, knowledge, resources) which they inherit from the past. People recreate the social conditions because they endorse the value of existing cognitions, norms, and resources by using them in their actions.

the institutional context and managerial agency

Because of the duality of structure, the broader institutional contexts in which interaction takes place are important. For Giddens, institutions refer to reproduced rules and resources, the latter also encompassing a vast range of knowledge and skills. The stress on knowledge and reflexivity is, as Whittington (p. 695) remarks, important because it suggests that organizations can be moved in some coherent and explicit direction. Here lies the possibility of deliberate strategy². The dominance of institutionalized structure is compatible with managerial agency when we take into account that Giddens stresses the availability of alternative structural principles. These alternatives derive from the overlapping social systems (e.g. professional, economic, religious, communal) that constitute our complex organizational world. This complexity, together with the dialectic of control, enables managerial agency.

dialectic of control

All organizations involve a tendency towards hierarchy, but these tendencies are always accompanied by countervailing tendencies towards the recapture of power by those on the lower levels. The settings of interaction in time and space allow various forms of concealment (to sub- and superordinates) which 'balance other forms of exposure. The activities of those in an office setting are often monitored by the 'results' of their activities, not by direct supervision. However, such results, even if deemed satisfactory, may be reached by methods actually in some part subversive of formal patterns of authority within the organization (Giddens, 1987, pp. 162-163).

complexity of the multidimensional, open organizational world

How does this complexity enable managerial agency? Organizational actors may draw on rules of conduct that originate from different social systems. Or, put differently, organizations consist of overlapping social systems, a number of them stretching beyond the time-space boundaries of 'the' organization itself. Because actors thus have access to a diversity of social systems, they have some choice over the structural principles they enlist in their organizational activities.

Thus, two forms of managerial agency may be distinguished (Whittington, 1992). The first stems from the internal ambiguity and plurality of the rules governing the reproduction of particular sets of social structures. In complex systems, actors must exercise discretion in interpreting their immediate roles. The second form stems from the contradictions between a system's intrinsic structural properties and the alien rules and resources of other activity systems in which organizational members also participate, and/or that cross-cut and overlie the boundaries of the organization. For example, in recruitment activities a personnel manager may try to adhere to the written ethical codes of the professional association of which he/she is a member, rather than to the existing policies in the organization.

Managerial agency in the second, stronger, sense is possible because managers have a range of structural rules and resources which inspire and empower their actions, at least in so far as they are able to access these alternative structural principles. It is equally important that those they wish to influence actually acknowledge the legitimacy of these alternative principles. In the case of the personnel manager it may well be that when he/she applied for his/her present job, one of the selection criteria was membership of this association. By referring to this fact, he/she can legitimize her actions. The social identity of both the influencer and the influenced constrain the agent's actions (e.g. Whittington, 1992; Fondas and Stewart, 1994)).

These theoretical concepts led to the following **research question**: *In what way is the management of the meaning of 'managerial effectiveness' for middle managers in a multi-level organization enabled and constrained by the structural properties of the social systems in which the managers participate?*

We investigated the ways the meaning of managerial effectiveness was managed in the

multilevel organizational world of Buyhouse. Managerial effectiveness was split into two dimensions (compare Campbell et al., 1970):

- the kind of products that are the result of an effective managerial process (goals), and
- the characteristics of an effective managerial process (strategy).

Our emphasis was on the internal layered context and on the dialectic of control within the organization. We also tried to take the references of managers to wider social systems into account. By conceiving the layer of the individual stores as a social system, the headquarters of this retail organization constituted to some degree an institutionalized context: although Buyhouse appeared to be an organization in which conflicting norms and rules of conduct were in the process of being shaped, at the same time strong central coordination mechanisms had been installed by headquarters (HQ) and were clearly visible.

The following section reflects a) the way in which we have facilitated our interpretation, b) how the input of the Buyhouse actors involved was taken into account, and c) gives an account of the diverse Buyhouse settings studied.

3. METHOD

In our case-study design three stages may be distinguished, in which several methods of, largely qualitative, data collection and analysis were used. Below, we will report the methods that are relevant within the scope of this paper.

Phase 1: Buyhouse's structural properties and management of meaning at HQ

The data gathered in this phase were used to describe the structural properties of the institutional context in which the store managers functioned, as well as the management of meaning at headquarters³. Data consisted of nine interviews with stakeholders in the organization about changes in its context, its formal structure and the role of the middle managers in the division studied, that is, the local storemanagers (SMs). In addition, we analyzed many written documents: task descriptions, training material, personnel magazines, etc.

Phase 2: visiting six local stores

Six stores were selected by the supervisor of the SMs on the basis of their heterogeneity in size, age, location, and effectiveness⁴. We visited each store for two days, during which time we walked around and held extensive semi-structured interviews with six store managers, with their local personnel managers' as well as with a few of their first-line supervisors. Here, our questions concentrated on the way in which the store manager managed the meaning of his task, and the interaction processes by which he managed his store. The store manager was also asked to perform two Q-sorts (e.g. Brown, 1986) of forty statements. In the first he was asked to rate the importance of each statement for effective store management according to his own opinion. In the second he was asked to rate the importance that top management would attribute to each statement. These twelve Q-sorts were analysed to discover whether different stories of managerial effectiveness were present.

From these data we inferred the definition of effectiveness of each store manager, their argumentation behind this definition, and the dimensions in which they varied. Moreover, we analyzed how they made sense of the structural properties of the organization in terms of Giddens's model. By analyzing the thoughts on which their definitions of effectiveness were based, we tried to learn something about the structuration of their context. The data of the other interviews, the Q-sorts with subordinates and the 'walking around' observations during the two days, were used to complement our understanding of the local context and functioning of the store manager.

Phase 3: workshop

We gave a one-day workshop with 30 SMs and their superior, during which we observed their interaction. At the start of the workshop we asked every store manager to rank five managerial strategies⁵ based on competing effectiveness criteria to measure the perception of their own strategy. On the basis of these data the managers were divided into five more or less homogeneous discussion groups. Each group was joined by one researcher who observed and scored some aspects of the interaction. These groups each had to fulfill three assignments.

The first product was a metaphor description that would characterize the group's shared managerial strategy as well as the strong and weak points of this managerial

strategy. The second product consisted of solutions for the four problems that were earlier rated by the entire group as most hampering their effective store management. In the third session the groups had to go shopping at ‘competitors’ (other groups) to find out whether other groups had come up with useful solutions.

The content of their products was analyzed by the six researchers, among other things for its heterogeneity. Our observation of the interaction focused on how the management of meaning was influenced by institutional factors. Store managers can legitimize and structure their image of effective local store management by local (in a geographical sense) factors as well as by factors that refer to the larger organization. Thus, we scored how many times during the discussion sessions local versus organizational factors were used by each store manager to explain why certain strategies/behaviors would or would not be effective for him/her⁶. If, for example, local factors are mentioned more often than organizational ones, the chances are higher that different meanings of effectiveness will be developed.

4. RESULTS: THE INSTITUTIONAL CONTEXT

After sketching the formal and typical historical context, we will show that because of Buyhouse’s rule systems the formal autonomy of the store managers was rather limited. Next we will describe that simultaneously the store managers were receiving ambiguous messages from different actors at headquarters about the way in which they had to play the game, that is, perform their managerial role. By then a picture will have arisen of a playground in which structural properties are not quite fitted to the needs of the local

stores and their managers, and where equivocal cognitions of managerial effectiveness are put forward by headquarters. At that point we will turn to the management of meaning by the store managers themselves.

4.1 DECAY AND REVIVAL AT BUYHOUSE

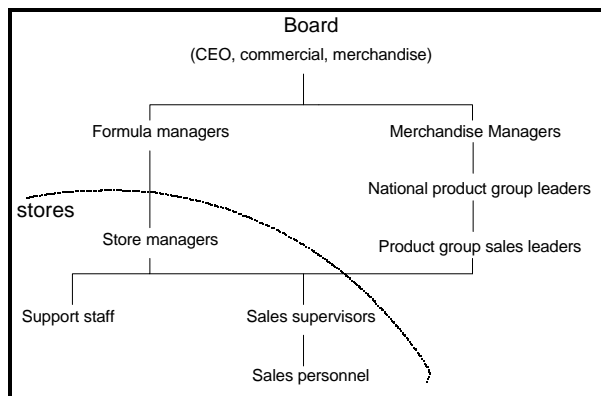


Figure 1: Formal structure BUYHOUSE.

Buyhouse is a large retail organization consisting of roughly sixty department stores, dispersed across the country. Each department store offers a wide range of consumer products, ranging from kitchen appliances through perfumes to books. The hierarchical structure of the matrix organization is presented in Figure 1.

The history of the organization is intriguing. Buyhouse was founded in the nineteenth century by two entrepreneurial shopkeepers whose families were related. Its particular culture has prevailed throughout most of its hundred-year existence during which the founding family had a strong influence on the organization. One central element of the Buyhouse culture had been the strong - paternalistic - concern for the wellbeing of shop personnel. They were, for instance, one of the first to close their shops on Sunday (based not on economic but religious practices). This trait had its corollary in employment practices that amounted to lifetime employment for shop workers. Characteristic is the story that, in the early days, parents presented their young daughters to the nearest Buyhouse store for a position in the conviction that Buyhouse would provide them with a proper and safe working environment.

However, recent history has been characterized by profound changes in market and organization philosophy, and by similarly profound changes in management structures and systems. These transformations have been accompanied by a redefinition of management positions and a restaffing of these positions, leading to the promotion

and demotion of many.

The origins of these changes go back to the corrosion of the firm's market position in the seventies and eighties due to a loss of feel for (changing) market demands. In the past, success had been based on the logic of scale: buying standardized merchandise in mass volume. However, when consumer preferences began to shift increasingly rapidly and the previously homogeneous consumer market began crumbling into a variety of consumer groups, the organization hardly responded to these shifts. Until well into the eighties the management of Buyhouse also neglected the internal organization. For instance, hardly any investments were made in new information technologies. Consequently, by the mid-eighties the functioning of the organization was outdated. Finally, when alarmingly negative financial results began to show, serious measures were taken. Top management was drastically restructured and at the end of the eighties the new management team, in order to revitalize the "old corpse", undertook several steps: a fundamental rethinking of the core business concept for the chain; designing a new organization structure; and the above-mentioned staffing of middle and lower management. Simultaneously, the most sophisticated information technology the market could deliver was implemented in order to be better able to monitor and control flows of merchandise and information through the organization. Finally, training programs were initiated, aimed at store managers and their local management staff. These programs, based on the 'train the trainer' concept, were directed towards topics such as customer service, physical presentation of merchandise and motivating personnel.

When we started this research project, the bulk of the turnaround activities had been completed and a modern retail chain organization had started to take shape. In the preceding year Buyhouse had finally been able to achieve positive financial results. However, the resulting organization contained some equivocality for the store managers and their personnel, caused by deficiencies in the formal systems (4.3), the management of meaning at headquarters (5.1), and the tensions between the two (5.1). But in section 4.2 we will first look at the formal position of the store managers: how do the structural properties of Buyhouse enable and constrain them in their behavior?

4.2 THE STORE MANAGERS' FORMAL POSITION

Our analysis of the formal resources of local store managers leads to the conclusion that the SMs formal room to manoeuvre is limited. Both for allocative and authoritative resources, the balance of central control versus local autonomy tips clearly in favor of headquarters. As we will see, many choices are being made for the SMs, or may be overruled by HQ decisions and policies.

allocative resources

As far as allocative resources are concerned each store manager has a *annual budget*, which is negotiated between the SM and his supervisor, the formula manager, at HQ. In reality, the SM's objectives and budgets are to a great extent imposed in a top-down way. For example, the board overruled budget decisions by top-down setting of objectives for the department store formula as a whole, resulting in a budget reduction for each store without consideration of the local possibilities for cost reductions.

Within the budgetary constraints, store managers may select the *personnel* that they want. However, most start their job in an existing store and are thus confronted with an existing workforce. Moreover, in hiring decisions HQ can force SMs to accept candidates from elsewhere in the retail chain that they want to move. Likewise, personnel regarded as 'high performers' will be offered jobs by HQ in one of the two fancier department store branches. The SMs are faced with cuts in their personnel budgets. One of the three problems most commonly felt by the SMs during the workshop was the quantitative lack of 'sales supervisor' (see figure 1) capacity. This is aggravated by the fact that sales supervisors are not allowed to work more than four days a week, and are forced to use up all their free days on an annual basis. Only a few standard contracts are allowed. During the workshop one SM mentioned that during his present absence there was only one supervisor in the whole store. For him the only way to handle this situation in a responsible and legal way was to hire security personnel for a few days.

Another resource for the store manager is the *building*. Its size is an important (cost) variable that most managers cannot influence. Some store managers can generate money by renting out a part of their building. Others may have to hire a warehouse because their building is far too cramped (the chances are that they will have no budget

for this). The attractiveness of the buildings varies a lot and the SM's influence in this respect is limited: an ugly, cheap new building cannot easily be transformed into an old and classy one.

For their *assortment, stock, and promotion campaigns* the stores are largely dependent on the product groups at HQ. In theory, the stores can determine the quantity of the goods they are supplied with by the product groups and can order further supplies. In practice, it turns out to be uncertain whether, when and how many goods will arrive.

authoritative resources

Authoritative resources presume surveillance, that is accumulation, coding and retrieval of information and direct supervision of activities (Giddens, 1987, pp. 154). The store managers may be seen as agents in the field who do surveillance for Buyhouse.

Because they are in the field, SMs do have autonomy. They decide how to organize their own jobs, they can decide how their personnel should perform their jobs, they can influence the communication and coordination within the store, take some HRM decisions, etc. However, *what* should be done, the content of the primary process of the store, is to a great extent prescribed on a weekly and even daily basis (long faxes) by the product groups. During the workshop (another) one of the three problems most commonly felt by the SMs was their lack of influence on commercial activity planning.

For instance, the process of supplying the stores with merchandise showed imperfections due to the fact that promises of new information and logistic systems were not yet fully realized. The delivery of goods is also constrained by the fact that speedy corrections of stock volumes are not always acted upon by the product groups, and even long-term demands for qualitative or quantitative changes in assortment are not necessarily rewarded. The SM's power is dependent upon the possibilities of the system and the willingness of the product groups. The stores can only utter wishes.

Nevertheless, the formal supervisory power of the SMs is complemented by their competencies in people management, administration, and retail. The SMs have quite different backgrounds: academic; entrepreneurial; operational retail, etc. Modern information systems which make it possible, for instance, to monitor turnover from minute to minute form another resource. They are able not only to view the sales of their own product groups, but also those of the other stores. A financial system helps them to

plan and control their spending. The store managers have information about the local market, the capacities of their personnel and their building that central management lacks.

On the other hand, the last of the three most commonly felt problems concerns the information supply in the matrix: “my new merchandise was already being delivered when I heard that the renovation of my building would not take place”.

In the last paragraph information is put forward as a power base for the SM, but the SM himself is also under surveillance from the files. This aspect of surveillance is intensively used in Buyhouse, and this is one way that the lack of direct supervision of the SMs by HQ is compensated for. The autonomy of the SMs can easily be overruled because HQ is well informed about many aspects of each store thanks to the extensive information systems, the regular visits to the stores by the Product group sales leaders, and by the decentral personnel managers, who functionally report to the personnel department at HQ.

4.3 FROM RULE SYSTEMS AND RESOURCES TO STAKEHOLDERS' IMAGES

By now it will have become clear that the SMs formal room to manoeuvre is limited. However, the more that agents in the field are removed from the immediate locales where the administrative power is concentrated, the less the degree of overall coordination with the policies of the organization which can be achieved (e.g. Giddens, 1987, p. 158). It is difficult to keep such individuals effectively subject to the demands of the central organization. Thus, in theory, SMs and their chief salespersons can create some discretion. They can neglect some of the prescriptions, even if that might be seen as illegitimate behavior. And, indeed, we will see instances of such ‘disobedience’ in section 5.3 when we turn to the coping patterns of SMs. First, after this description of Buyhouse’s formal structural properties, we will turn to the significance of effective store management as it is espoused by the actors at headquarters. As we have said in section 2, in discussing managerial effectiveness a distinction will be made between

goals and strategy.

4.4 HEADQUARTERS' IMAGES OF THE EFFECTIVE STORE MANAGER

When we look to the activity systems as put forward by Whittington (1992), we see that the economic activity system is strongly dominant in the appreciation of the effectiveness of the store manager. Even within the economic activity system their effectiveness is narrowly defined: focused on short-term financial results. Given the history of negative financial results, this conservatism may not be surprising. Still, some wider and partly conflicting perspectives are leering for a few of the stakeholders.

effectiveness of the store manager: goals

The stakeholders talk about the contributions of the individual store in economic terms. The effectiveness of the individual SMs is rated in terms of reaching their turnover and in terms of the reduction in costs they realize within their store.

A few exceptions must be noted. The personnel development manager states that the effectiveness is also determined by the contribution to a positive image of Buyhouse, and by the quality of the store personnel. Likewise, the director of Personnel Affairs wants to use some complementary measures for the store manager, e.g. the amount of HR potential delivered to the larger organization. He cannot get enough support for this, at HQ, nor from the unions. The formula manager states that he strictly requires them to turnover and realize costreductions. Yet, he remarks that some shops who are doing well run a long-term risk, because the SM's treating his people like animals. Therefore, he wants his store managers to have long-term vision (5 years).

Two of the respondents acknowledge that local stores function as a garbage can for the larger organization and are their nurseries. This, however, is seen as a constraint by these respondents, not as a goal. Also, one of them remarks: "the local stores are not thanked by the other (fancier) stores for the good professionals they deliver to them."

effectiveness of the store manager: strategy

Less clarity was found concerning what the effective strategy for the store manager is. As table 1 shows, we achieved no homogenous meaning, but rather different images from different stakeholders. We will try to explain why there is much less consensus on the strategy of the effective SM. Recently, HQ's definition of the SM's role started to shift. For a time, management envisioned the new-style local store manager as the locus of intrapreneurship. Soon however, most stakeholders considered the store manager as primarily a coach.

This shift can only be understood in conjunction with the coinciding redefinition of the roles of the chief salespersons who head sales departments. Initially, this position was newly designed to incorporate merchandise know-how in the stores. Chiefs were supposed to be operationally oriented merchandise specialists. Very recently, the emphasis had shifted to a general management role: 'because the chief salespersons are the nod in the matrix, maybe they can fulfill the entrepreneurial role'. The changing power structure, mentioned below, may have contributed to this reorientation.

Table 1: HQ's images of the effective store manager's strategy.

<i>HQ-stakeholder:</i>	<i>who puts emphasis on...</i>	<i>and sees effective store management as...</i>
Formula Manager (supervisor of SM's)	Merchandise decisions: decentralized SM is a people-manager only, but a 'maverick'	SM has long-term vision, motivates people (selects, coaches, keeps/gets rid of them) on the basis of this vision. The chief salespersons are responsible for the merchandise (not SM)
Director of Personnel Affairs	Merchandise decisions: no opinion given SM is more than just a people-manager and is a 'maverick'	SM supplies favorable conditions, can convince, feeling for retail and client, good at exploiting people and creating a well-kept shop with a nice atmosphere

Personnel Development Manager	Merchandise decisions: decentralized SM is more than just a people-manager, and a 'maverick'	SM is the entrepreneur who should take care of the positioning of the shop (not the task of the product groups), takes initiatives, open to innovation, not too law-abiding and obedient
National Product Group Sales Leader	Merchandise decisions: centralized SM is a people-manager only	SM is not an entrepreneur but a host who takes care of the discipline among his personnel. The chief salespersons are the most important people in the store: the directors of the concert that was written by the product groups
Product Group Sales Leader	Merchandise decisions: decentralized SM is a people-manager only, but also a 'maverick' and arbiter	SM is only a people manager (one with enthusiasm and guts, open to innovation, but also able to oppose something) should perform the role of arbiter among the product groups at the level of the local store.
Product Group Manager	Merchandise decisions: centralized Nevertheless, SM is more than just a people-manager, also an arbiter	SM is a good family man who supports his personnel and brings equilibrium to the product groups within the cadre of HQ. makes the client experience the world of the product groups.

Some respondents stress the importance of knowledge of the local market for determining the assortment and for sales and promotion decisions. These respondents would like to see (more) say in these decisions at the storelevel. The extent to which they see a role for the SM in these decisions differs: is he only a people-manager or is he to some extent a shopkeeper as well?

Four of the six HQ stakeholders expect the SMs to fight the constraining system once in a while, maybe break the rules, use the leeway, mold the deficiencies of its structural properties to their advantage. It is noteworthy that the respondents who propagate the SMs as mavericks are not necessarily the stakeholders who decide against implementing the constraining systems. Nevertheless, their own position seems to be too weak to bring about the real changes in the formal system that the stakeholders think are needed: persistent rumor informed us that at HQ the merchandiseline in the matrix was leading the field, and that store management had lost the battle for the time being. The two stakeholders who do not want the SMs to 'have guts' belong to the product groups.

Moreover, the SMs' formula manager remarked that his formula was lowest in the hierarchy (the turnover of his 30 small stores being a fifth of the top formula consisting of 6 stores): the structural properties are designed for the needs of the other two formulae, and are thus experienced as constraining. Yet this status quo facilitates the formula manager in a rather unexpected way: "because we are not paid much attention, I have some leeway in my policies".

At this point of our analysis, a picture has arisen of a playing field where the structure is not explicitly fitted to the needs of the local stores and their managers, and where ambiguous images of an effective SM strategy are being propagated. It is time to turn to the meaning of the managerial effectiveness store managers create for themselves within this playing field.

5. RESULTS: MANAGEMENT OF MEANING AT STORE-LEVEL

Here, the SMs constructs of goals and strategy are compared with the images put forward at HQ. One point we would like to make in this section is that the signification and legitimation for the SMs of their own role is definitely ambiguous. We will try to explain these findings by means of the structural properties of the systems they participate in. We will argue that SMs derive their image of effectiveness not only from HQ and the economic activity system but, partly enabled by this ambiguity, also from the other social sub- and activity systems they participate in.

5.1 THE STORE MANAGERS' IMAGES OF EFFECTIVENESS

effectiveness of store manager: goals

Table 2: The store managers' goals (contributions to BUYHOUSE).

<i>within scope of local store</i>	<i>stretching beyond local store</i>	<i>stretching beyond BUYHOUSE</i>
to create an annual profit in our store for Buyhouse (all SMs)	to run a 'nursery' within Buyhouse (SM Z)	to be an advisor to colleagues outside Buyhouse (SM H & Z)
to create a favorable image of Buyhouse in the community (SM H & Z)	to be an advisor to other colleagues within Buyhouse (SM H & Z)	to develop a city center in order for it to become a city in which Buyhouse wants to be located (SM H)

to realize Buyhouse policy in a new store (SM A)	to generate new ideas for Buyhouse (SM CA)	
to reorganize a problem store for Buyhouse (SM D & Z)		
to create the kind of shop that Buyhouse wants to be (SM B)		

Whereas table 2 mirrors the dominance of short-term considerations within the economic activity system found at HQ, a subset of the SMs puts quite a few other contributions forward: two SMs and one SM-to-be even look beyond the local store. Only one, SM V, sees his contributions as being solely confined to making a profit in his local store. For at least one (Z) the contributions in the second column are even thought of as more important (the ROI is the constraint, the 'nursery' functions as the motivator). The next step in his career that SM H dreams of is to transform the disfunctioning city shopping center of another larger city. To summarize, the heterogeneity of goals is greater than at HQ, but unevenly spread among SMs.

Effectiveness of the store manager: strategy

We have seen clear differences in the store managers' concepts of an effective managerial strategy and also in their (to a large extent reported) behavior. At first sight, however, only two main patterns of 'the effective store manager' emerged from the data of the twelve Q-sorts (two by each SM, see section 3). For some items we even found that all SMs strongly agree with each other and with what they see as HQ expectancies: *it is not important for the store manager to help with the operational work in the store, and coaching their personnel is very important.*

A simple explanation is that some aspects of effective SM strategy are

accepted throughout the organization and enforced by the system, but that the differences of opinion at HQ about some aspects of their strategy have been noticed by the SMs (the interview data confirm the SMs' awareness of different opinions within HQ), and different sides have been chosen in this 'battle'. And, indeed, the two competing strategies in box 1 can easily be explained by the shifts that are being made (section 4.1), and the conflicts about them at HQ (section 5.1).

Box 1: Two main patterns of the effective store manager's strategy.

Model 1: a result-oriented shopkeeper, with a task-oriented rather than a social-emotional leadership style. Among the low-scoring items are: 'should train and coach his people', 'should help his lower managers in dealing with their personnel'. High score: 'ensures that the mission is realized', 'ensures an optimal filling-up of the store space', 'should make use of his information systems when defining the annual commercial plan'. (SMs D, B, A)

Model 2: a loyal member of the larger organization, with a social-emotional leadership style, who as a person and with a service orientation towards his personnel ensures that they will be able and willing to maximize their performance. Examples of high scoring items: 'should train and coach his people', 'should help his lower managers in dealing with their personnel' Low score: 'ensures an optimal filling-up of the store space', 'should monitor the turnover on a daily basis'. (SMs Z, H, V)

This explanation does not give the whole story, though. First of all, these two patterns explain 63% of the variance, leaving 37% of the variance unexplained. Moreover, the Q-sorts of the SMs' subordinates as well as the questionnaires filled in by the SMs before the workshop maintain that some characteristics are unequivocally important, but also indicate a substantial amount of variance in images of effective SM strategy within Buyhouse. Third, a look at the qualitative data reveals four other interesting differences among the six SMs. The first issue is whether a) the effective SM is the entrepreneur or whether b) his/her chief salespersons should play this role, or c) there is no room for entrepreneurship at store level anyhow. The second difference pertains to the question whether in order to be effective the SM should be an important player in the local community. Next, the different opinions with regard to the subject of 'obedience' of SMs to HQ policy are also mirrored in our findings in the local stores. And last but not least, the one item the importance of which all respondents, at face value, agree on is the SM's coaching role. However, far more important than the seemingly consensual nature of this notion were the divergent ways in which SMs interpreted this concept (box 2).

Finally, despite the constraining influence of the existing resources and rule systems, we ended up describing seven competing strategies for store managers. We will not dwell on the content of these strategies as the focus of this article is not so much on the content of managerial strategies but rather on explaining how and why different ones may emerge.

Box 2: Four different interpretations of coaching.

For SMA coaching is a businesslike, distant process, monitoring job evaluation interviews and trying to fit the person to the job.

SMV speaks about creating clarity for his sales supervisors, and monitoring them daily to keep them from operating outside their latitude, directing his subordinates on the basis of figures.

SMD believe in team-building, delegating responsibilities, not telling them how to do it but asking them to come forward with their own solutions, informing them. Thus, the monitoring task has been delegated to the personnel and financial managers.

SMH coaches by setting priorities, giving feedback, asking other sales supervisors to pay attention to good points that their colleagues make, challenging them into innovation and risk-taking, inspiring them by initiating processes.

These interpretations are reflected in their behaviors. For instance, we observed SM-H throwing provocative remarks to subordinates while walking through the store, while helping customers, and during meetings. His personnel confirmed his style: 'sometimes we have to slow him down otherwise he will thwart earlier agreements or put wrong ideas in the minds of our people.'

searching for an explanation of the findings

Throughout the organization it is stated that attention to the human aspect is recently lacking at HQ, and SMs are allowed to spend less and less each year. This explains the overwhelming prevalence of the economic activity system. Nevertheless, SMs remark that their room for discretion has grown over the past years. They attribute this to being better informed, and even more to the formula manager promoting a different managerial strategy to his predecessor. Their attribution is in line with the statements of the formula manager himself (table 2). Notwithstanding the fact that his view is not shared by all HQ stakeholders and that his power within Buyhouse is limited, the formula manager seems to have made a difference. More than once respondents comment that SMs who had previously been seen as 'mavericks' are now surfacing. Characteristic of his leadership style is the following example: during a plenary meeting the formula manager urged the SMs strongly and authoritatively to change direction without giving them any clue as to which direction this should be! (In fact, we will see in section 5.2 that this ambiguity

is eagerly absorbed by some SMs)

Thus, we can explain that different meanings of managerial effectiveness in terms of goals and strategy could emerge among the SMs. However, the content of these wider goals and different strategies cannot only be explained by Buyhouse's power structure, nor by the norms and cognitions put forward at HQ. We need to take a broader view.

5.2 EXPLAINING THE EMERGENCE OF DIFFERENT MEANINGS

From a structurationist perspective (section 2.2) the management of meaning at the level of the SMs is influenced by the existing structures of signification, legitimation and dominion. We will show why, even in this constrictive setting, this structural influence has not prevented the emergence of different meanings of effectiveness. In section 2.2 we defined two forms of managerial agency: one facilitated by internal ambiguity, and one by access to alternative structural principles. Instances of both can be found at the level of the SMs.

On the basis of our findings we will further hypothesize that emotions such as feeling secure (versus experiencing fear) play a central role in the way SMs manage the meaning of effectiveness. These emotions influence the way SMs cope with the management of meaning. Moreover, some coping patterns appear to be more successful than others in terms of being regarded as effective by HQ, that is, being promoted. Figure 2 depicts our hypothetical cause map. In laying out our argument we will refer to the arrows in this model.

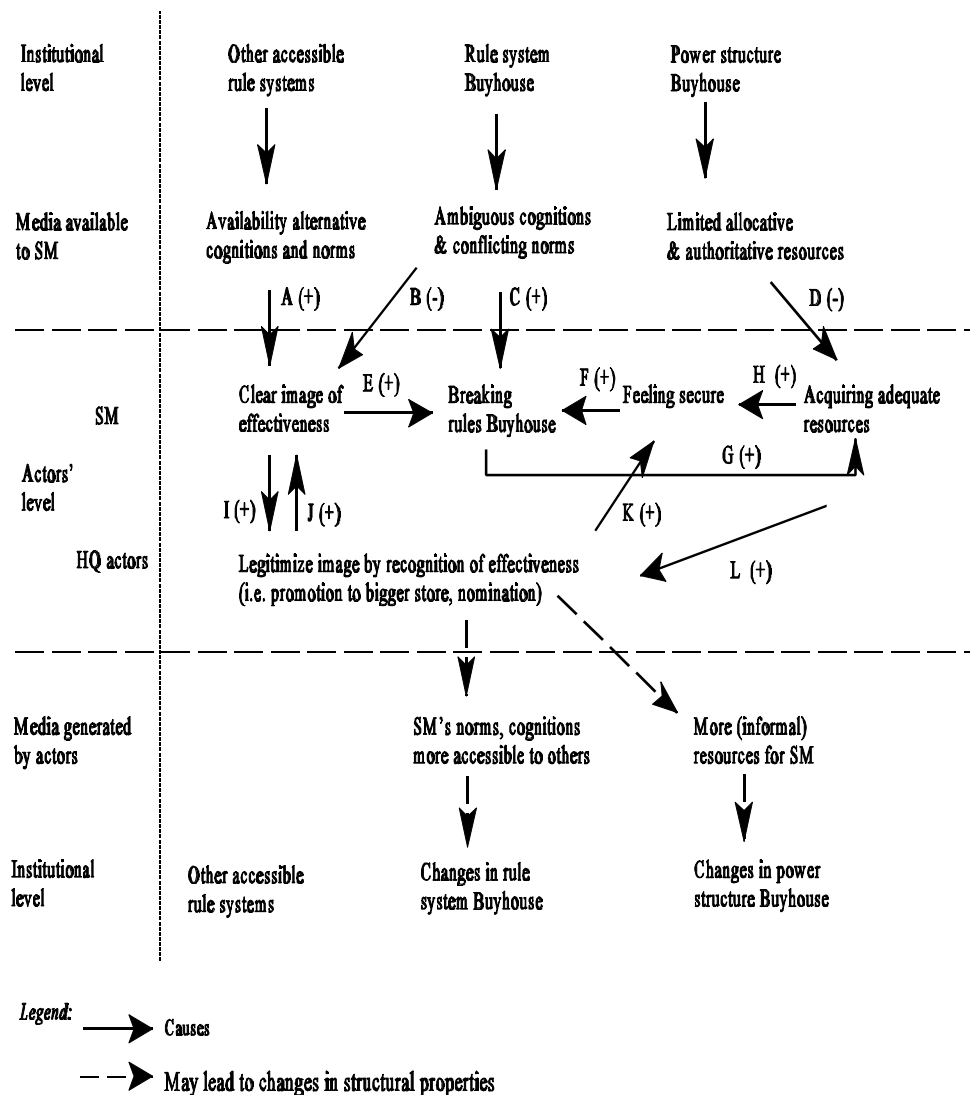


Figure
2: Hypothetical cause map concerning the coping patterns of SMs.

Ambiguity and the use of alternative structures of signification

The partly conflicting and ambiguous demands from HQ regarding the goals and strategy of the SMs are supposed to have a negative effect on the clarity of the SM's image of

organizational and managerial effectiveness (arrow b). This arrow is in line with our finding that during the workshop many SMs declared their need for more guidance, more role-model behavior, more feedback, more concrete goals, and/or for a clear role description for an SM. In 7 of the 14 small group sessions observed, significantly (section 3): 7 sessions significantly ($p < 0,005$) more arguments were given for the chosen strategy and behavior by referring to local conditions than by referring to their HQ context. In only one session did significantly ($p < 0,005$) more HQ arguments come up. The influence of the local settings on the strategy and behaviors may be partly explained by a human tendency to attribute one's behavior to the immediate situation. Nevertheless, it is quite probable that the ambiguity at HQ has created more room for this tendency.

Notably, some SMs warned the others not to ask for too much clarity and guidance: 'I like to be left alone', and 'I don't want my freedom to be absorbed by any new procedures whatsoever'. In addition, regardless of the ambiguity at HQ, three of the SMs we visited did have a clear image of their strategy, in which the influence of different existing structures of signification and legitimation may be seen (see box 3).

Box 3: Active enlisting of (alternative) structures of signification.

Store manager H has worked for Buyhouse for 30 years, but vigorously tries to 'keep fresh'. "Sometimes I apply for other jobs, just to see how the world is out there. Every Monday I urge my personnel to do the same." He applies 'leadership literature' (a list with the principles of transformational leadership hangs in his office, and according to his subordinates he is always hanging checklists and slogans on the walls), but also uses philosophical sources. He organizes activities for his personnel such as an 'evaluate your personal lifestyle' session, and an helicopter flight and a survival journey for the supervisors, whereas other SMs choose more mundane 'motivators' like a bottle of wine for a winning team, a present and a poem for 'Sinterklaas' St. Nicholas' Day. He knows every subordinate and his or her background and hobbies, and tries to use these (or allows them to use these). At the time of our workshop he had been promoted to a more prestigious formula in the city he wanted to go to.

Store manager Z studied behavioral sciences in his youth and has worked at the former training and development department of Buyhouse. The cognition and norms of his professional background can be traced in his concept of effectiveness and his argumentation: In this job I can use all of my aberrations - teaching, training, coursework- because I have got my own unit. I believe strongly in responsibility where it belongs. I have got a long-term strategy. When I train my personnel, it is always in a way fitted to the individual. They will grow in their job and eventually be able to bear the full responsibility for it. He reports that he learns a lot from a small group of other colleagues who have complementary skills (I am not good at the merchandise side yet). By the time of our workshop he too had been promoted.

Store manager D worked in his parents' shop during his whole youth and has warm memories (in fact I started my career in another branch, but the blood flows...) of this period in his life. While he presents himself as a real 'shopanimal', the enormous emphasis he puts on creating a good working atmosphere in material and immaterial terms for his personnel is remarkable. In the signification and legitimation of his concept of effectiveness, he may well be borrowing from a domestic activity system. During our visit to his store it was already known that he would move to another 'problem'-store to reorganize that for Buyhouse as well.

The very young **chief salesperson CA** is making a rapid career in Buyhouse. Why is he a fast mover: "Because I take initiatives, I am not afraid to get into confrontations with people". Once he totally bypassed the Product group line and sent a fax to high up in the hierarchy to get what he wanted. "They want me to be a dynamic example (maybe even dynamite) for the others. Being a manager, working with people and looking for constant innovation, that is what attracts me. I am not especially attracted by the retail sector." It is clear that his signification and legitimation resemble the concept of effective SM strategy of a specific subset within HQ. By the time we gave our workshop he had been promoted.

In managing their stores some SMs refer to other activity systems than the economic and to different social systems within and outside Buyhouse (arrow a). Coaching may for instance be a Buyhouse HQ norm, but their cognitions about it reflect that in their management of its meaning they refer to other social systems as well. These data sustain Giddens's proposition that 'with access to a diversity of social systems, store managers have at least some choice over the structural principles they enlist in their organizational activities'. Yet, store managers B, V and A did not give any explicit references to enlisting cognitions from other activity systems and/or social systems outside Buyhouse

(box 4). With them, we did not find a clear strategy of their own, that is, less strong forms of managerial agency:

Box 4: An SM with a less clear image of effectiveness.

The older SM V does not have good local conditions (small market, large building). He feels constrained by these conditions. The demands from HQ are hard, but he tries to buffer his personnel from them. One of his big problems is knowing how much you can ask from your personnel, how far you can go in pressuring them. 'Sometimes, I hear I go to far'. He often has discussions with his personnel manager (I could not do without her feedback) and with a few other store managers. But where as Z explicitly states that 'his pals' have complementary qualities he can learn from, V only remarks that it is not coincidental that most of his pals are of the old generation. At the time of the workshop he had not been moved.

Obviously, the SMs who did not have a clear image of their own had a greater need for direction. We also found that managers with their own clear and explicit definition of effectiveness were less prone to accept and conform to the Buyhouse rulesystem no matter what (arrow e). For example, during the workshop a group of SMs that obviously knew each other quite well adopted the 'coach of a soccer team' as a metaphor for their ideal strategy. When looking for the weaknesses in their strategy, one of the SMs mentioned: 'maybe we are weak in conforming to the functioning of the matrix-organization'. Another hastily, remarked that it was the other way around: 'the matrix organization is not good for the type of SM we want to be'. Note that the SM who was chosen as 'SM of the year' by HQ was a member of this group.

Why is it that managerial agency that deviates from the formal rule system gets thus legitimized?

Legitimation of managerial agency in BUYHOUSE

In 2.2 we stated that the legitimation of using the structural properties of other subsystems should be acknowledged by those one wants to influence. In this case, where both promises of promotion and threats of demotion are in the air, acceptance by HQ would seem to be very important.

In 4.4 we saw that a subset of HQ stakeholders acknowledges the effectiveness of 'mavericks'. On the one hand the formulamanager stresses that despite all the constrain systems, the cosmetic defects in the functioning of the Buyhouse organization, and

the continuous pressure to economize, store managers should not fall back into practiced behavior but should keep searching for improvements and new opportunities. He told us he valued independent, bold, and self-willed behavior in his SMs. This can be seen as a form of legitimization for enlisting alternative structural principles (arrow i).

On the other hand they do not receive explicit reinforcement from HQ in any form when they do. As SM Z said: "A director was here for a whole day to hear about my approach, but afterwards I got no feedback on it and my margin did not increase in any way". When a store makes more profit than agreed upon, this is not reinvested in the store.

Apart from the need for legitimization, the 'dialectic of control' suggests a human drive for managerial agency no matter what management finds acceptable. In these data the dialectic of control shows itself in the regular statements about the importance of the discretion SMs have in their job: 'at least nobody can take that from me' (V); 'as long as your creativity does not leave you, you will not lose the race' (B); 'I have nothing to do with Buyhouse, I am the CEO in this store' (H). Where acceptance of their norms and cognitions by HQ is uncertain, SMs rely upon their room for discretion. At the same time the three statements above subtly illustrate the differences in security that store managers experience. This difference in security may partly be explained by the extent to which they can realize adequate resources for their store (arrow h).

Escaping the formal power structure

Section 4.2 showed the extent to which SMs' use of resources is restricted by the structural properties of the Buyhouse system in their actual behavior (arrow d), but there are possibilities to create, at least informally and probably even illegitimately, some room to manoeuvre (arrow g). Above we gave the example of bypassing by CA, which may be seen as informal behavior directed towards getting more resources. Another illegitimate route frequently mentioned in the workshop is seeking direct contact with key players in the product groups to realize the supply of certain merchandise: 'it is the only thing that works in this organization'. A more extreme one, mentioned only once, is the buying of goods that are in high demand at a competing store in the village: just to prohibit the loss of customers. Also, we saw instances of informal circuits of redistribution developing among the stores. Having run out of Christmas trees, an SM promised his

disappointed customers they could come and get a tree the next day. He sent a car along to friendly colleagues to pick up their surpluses. In some stores decorative elements such as furniture are borrowed from local shops who can thus promote their merchandise. Formally SMs are obliged to order goods like these from the corresponding product group at HQ.

To summarize, the SMs' formal room for discretion is very limited, but informal power may be generated by creative (though often illegitimate) use of resources (information, personnel, building, budget, knowledge) and by their own and/or their subordinates access to others, which may also result in illegitimate behavior from the viewpoint of HQ procedures and rules. During the workshop some SMs were really opposed to 'networking': if everybody did it, Buyhouse could not function any longer. Others maintained that it was the 'only way'. When speaking about the value of the workshop one SM remarked: 'We (SMs) can learn from each other, but you simply cannot copy the informal organization and the personality of another SM, and that is what it is all about!' A third opinion was put forward: It is the right strategy, but only for the short term. In the meantime HQ should work on better functioning systems and procedures. It was obvious that some SMs used (or even welcomed) the ambiguity among stakeholders at HQ to remain ignorant (arrow c). SM H and his personnel seemed to excell in this kind of informal behavior to gather adequate resources, which helped to make his store score (arrow l).

The role of feelings of (in)security

Apart from structural influences via cognitions, norms and resources, emotions also seem to play an important role in the management of meaning. In Buyhouse respondents explicitly refer to 'fears' and to the way in which these influence their strategy. SMs especially mentioned the fears at HQ that the new strategy will not work, and their own subsequent fears that HQ will fall back into old, safe ways before the new policies have had a chance. Risk-avoidance behavior among SMs is signalled by some. This occurrence of fear cannot be explained by personal characteristics only. In the recent past all the SMs have had to reapply for their own jobs, and almost half of them were not reappointed. In the near future another review is in store for them. According to HQ respondents, risk-avoidance behavior was found less often in the newly appointed (up

to 2 years) SMs. In this sense emotions may be seen as structuring behavior in much the same way as cognition and norms. At least, they co-determine whether individuals will adopt standardized procedural rules (e.g. Giddens, 1987). SMs who know that they are regarded as effective by HQ, or at least have not been demoted before, will feel more secure than SMs who have been demoted (arrow k).

Overall there seems to be a lot of insecurity. SMs have their ideal image for today, but they are also seeking legitimation of their role. An SM even asks himself whether the job has a future: will there be fewer store managers running fewer stores simultaneously, or maybe the chief salespersons acting as a 'general manager of a shop in the shop' will become so effective that store managers will not be needed in future? Whether such 'structural insecurity' is experienced and whether this results in fear is also dependent upon personal characteristics such as motivation (SM Z doesn't have the responsibility for a family, high mortgage, etc.) and self-efficacy (SM H: 'HQ knows I can guarantee them a profitable store').

The level of self-efficacy is partly dependent on the feedback you get. The more recognition an SM gets, the clearer his cognition about his effectiveness (arrow j) and the stronger his feelings of efficacy (arrow k) become. In the interval between our visits to the stores (phase 2) and the workshop (phase 3), three of the six SMs had got new, better jobs within Buyhouse, the others had not. These were SMs H, Z, and D, with clear concepts of their own effectiveness. Obviously, their managerial effectiveness was rated higher. This may be explained by an indirect relationship as represented by the sequence of the arrows e → g → l. Moreover, there may be a direct relationship (arrow i) because these SMs actively espouse their images.

Three resultant processes to cope with management of meaning

It was mentioned that in the present situation SMs care into this own who were not previously appreciated by the old Buyhouse. This indicates that the meaning of managerial effectiveness is influenced by the properties of the larger system, but we hope to have shown why and how this influence does not necessarily lead to one homogeneous image of managerial effectiveness. What we have not yet explained are the mechanisms

by which some SMs and their images of effectiveness are acknowledged by HQ (promoted) and others are not. Therefore, we will finish this section by depicting three different processes by which SMs cope with the management of meaning: two potentially successful, one unsuccessful (box 5).

Box 5: Description of three coping patterns of Sms.

I do not know where this organization is heading, but HQ is making greater and greater demands on me each year; this increases my fear that they will be on my back or even demote me. So I stick to the rules, but the rules do not fit the situation at my store. Therefore I cannot generate the necessary resources, so I become less effective and more fearful. I cannot take the risk of experimenting to achieve more clarity about how the system works. I am not promoted, but at least they cannot say I did anything wrong.

I have got my own clear view about what I want to accomplish and contribute to Buyhouse and the right strategy to realize this. Therefore I do not stick to the rules but try to do things as I see fit, among other things by creating resources which increases my effectiveness, and because I am effective they will not be on my back, so I fear less and let my actions be determined by experience and knowledge.

A lot of my people are head-hunted for other stores. I like that, it is a form of ROI. But you don't see that in the targets set for you. You never get any feedback, but as soon as you don't realize your financial target, they will be on your back. So depending on my turnover I set margins for myself within which I can pursue my own strategy.

These coping mechanisms follow on from figure 2. The first coping pattern is an unsuccessful one, the second is totally different and potentially successful, whereas the third coping pattern we encountered seems to fall in between the first and the second and may be successful as well. The logic of the third one is that a sharp distinction is being made between effectiveness in the short term (targets set) and in the long term (own strategy). The SM has a very clear image of effectiveness, but knows that economically it will only pay off in the long run and does not trust his superiors to be patient.

Here, we recognize the principal agents theory (section 2): managers pursue value-maximizing ends in proportion to the buffers they can secure for themselves against the demands and pressures put on them. Nevertheless, the principalagents theory cannot explain that it is the managers who do this that get promoted because the system

'likes it'! Managerial effectiveness theory can do so because of its emphasis on the competing values that are concurrently being put forward. Our structurationist framework also sheds light on the how and why of the different ways in which managers cope with these competing values.

6. DISCUSSION AND CONCLUSIONS

We have come a long way from describing the formal context of the Buyhouse system from a macroperspective to hypothesizing on an intrapersonal level about the coping patterns of actors within Buyhouse. Giddens's framework supported us all along, enabling us to relate the different levels of our analysis.

On the basis of the results of this analysis we conclude that the structural properties of the larger system influence the content of 'managerial effectiveness'. In this competing environment with its elaborate rulesystems and scarce resources middle managers tend to stress the importance of the short term ROI. Nevertheless, many judge their effectiveness in terms of some other contributions too. Moreover, they differ in these other goals, and middle managers show a more elaborate range of goals than their superiors expect them to. However, it must be said that only a few look beyond the scope of their own store.

Their images of managerial effectiveness in terms of strategy show even more differences, to a certain extent complex and contradictory ones. This complexity is partly explained by the fact that different, and for some conflicting, goals have to be reconciled, and partly by the fact that they 'borrow' ideas from quite different sources. In constructing their concept of managerial effectiveness middle managers enlist the cognition and norms of a multidimensional organizational world: they will refer to different social systems within and sometimes even outside the organization, and some will enlist activity systems other than the economic. We found it fruitful to make this distinction between social activity systems (Whittington, 1992), and subsystems (store management at HQ; local store; local community etc.).

Our analysis shows that in terms of management of meaning the organization

does not exist. This finding is not new. For instance, it confirms Weick's notion (1985) of small islands of stability in under-organized systems. However, when we look at Buyhouse's formal organization we can hardly call it under-organized with its elaborate and very restrictive formal systems. The partial ambiguity in the management of meaning at HQ seems to have created some leeway for the different interpretations and use of these systems. Also, the expectancy on the part of some HQ stakeholders that effective store managers will break the rules now and again helps to explain the interpretation and behavior patterns we found in the stores.

We have shown that different coping patterns emerged in this situation, some of them leading to a clear personal image of managerial effectiveness that guided the manager in the performance of his task. The few managers who had a clear image enlisted principles of other activity systems and/or took a broader view than their own store in defining their goals. These managers turned out to be experienced as more effective by their superiors. This confirms the expectation (Fondas and Stewart, 1994) that proactive role enactment leads to success as opposed to more passive role enactment.

Implications and needs for further research

First, we would like to elaborate on the relevance of our findings by shifting our point of view to a sectoral level and by proceeding with a functional perspective⁷. When viewed from such a perspective, a retail organization like Buyhouse has to cope with its sector logics (Greenwood and Hinings, 1988). In its imagery of effective organizational forms, traditional organization theory would describe the formal structure of this organization as a divisional form or a 'machine bureaucracy in divisionalized clothing' (Mintzberg, 1979, p. 396). According to Mintzberg, the absence of diversification of products or services encourages headquarters to centrally steer its geographically and client-based branches. In our description we have mentioned the impressive control structures and also the powerful role of the central purchasing department. According to functionalist accounts the logic, which is supposed to be working is mainly that of efficiency seeking by standardization in the face of a mainly stable environment.

Buyhouse's managers, however, found themselves in between two perceived opposing pressures. On the one hand forces at headquarters felt they had to implement

more detailed rule systems (among other things with the help of information technology) in order to meet criteria of efficiency. On the other hand managers perceived the environment as increasingly unstable and less homogenous. In the light of this last pressure managerial actors sought to gain an advantage by developing a certain amount of intrapreneurship (e.g. Fulop, 1991), partly also by the use of information technology (making information accessible at local levels and (in theory) offering more flexible monitoring of the merchandise). However, how and at which level of the organization they had to implement this intrapreneurship concept and how they could reconcile the two opposing pressures was not clear from the outset, but was the outcome of interaction processes of social redefinition.

From this perspective our conclusion is that processes of redefinition of values may be seen as stimulated and even triggered by the changing structural properties of the larger social systems in which managers operate (compare Kikulis, Slack, and Hinings, 1995), changes that make the existing logic, in this case of efficiency and standardization, less self-evident. Our account illustrates how multilevel analysis can help to connect microlevel structuration with changes in the larger social systems.

Secondly, this way of reasoning may point to fertile soil for further research: those instances where dominant logics lose self-evidence in the light of changing conditions. In organizational theory much has been said about organizational life cycles in terms of shifts of organizational forms and/or values (e.g. Quinn and Cameron, 1983; Galbraith and Kazanjian, 1986). However, the ways in which organizational members actually come to redefine their new situations and therewith enact these shifts in forms has been less studied (Greenberg, 1995). Of course, the cause map that we have laid out is a hypothetical one based on our interpretations of the Buyhouse case, but it raises questions that have a wider relevance.

For instance, one factor that had to be taken into account in explaining (the clarity) of managers' images of managerial effectiveness was their feelings of (in-)security. The human need for 'ontological security' may lead many to stick to routine patterns that unintentionally reproduce the structures of their world, but some are sufficiently self-determined to choose their own actions deliberately, even in defiance of established rules and prevailing powers. Here, these managers were seen as more effective. Further research into this matter would be of interest from two angles. The first

would be the role that feelings of (in)security play in the enlisting of the structural properties of the prevailing social and activity systems. The second pertains to the conditions under which the non-conformist or even illegitimate behavior of middle managers is evaluated as effective by senior management.

Finally, the finding that some managers enlist the structural properties of different systems has an important implication for research into organizational and managerial effectiveness. When researchers choose an external 'objective' criterium of managerial effectiveness, they should be conscious of the social activity and subsystems they are enlisting themselves and bear the limitations of their choice in mind. From a social constructiveness perspective, Maas (1988) recommends researchers to pay more attention to ineffectiveness because there would be much more consensus on its content. On the basis of our results we would hypothesize that what practitioners will define as ineffective will also be dependent on the social sub- and activity systems that they enlist. It would be worthwhile investigating this proposition.

Implications for practice

Two implications for practice may be mentioned. First, organizational change processes may benefit by questioning the local nature, equivocality and homogeneity of the effectiveness concept from different perspectives. This will stimulate double-loop learning processes (Argyris and Schön, 1996).

Second, over the last decade downsizing processes have often taken place in the ranks of middle managers (e.g. Dopson and Stewart, 1993). Research indicates that the success of downsizing requires addressing the psychological issues facing those who remain employed (Belizean et al., 1996). In dynamic, competitive and ambiguous circumstances the psychological need for security and stability is not answered by the structural properties of the organization. Our results point to the importance of paying attention to what middle managers can bring to the organization as individuals. Middle managers can compensate for the lack of structural security by using their own unique cognitions, norms and abilities, derived from other social and activity systems. During transformation processes middle managers report becoming hypereffective, i.e. they try to pay significantly more attention to seven of the eight managerial roles of the

competing values model, which will wear them out in the long term (Belizean, 1996). Developing a clear, coherent image of one's own added value and role might prevent them from becoming 'hypereffective'.

1. In the course of the social interaction process, the theoretical ideas produced by the scientific community may constitute one source, a collection of exemplars from which to draw when building cognitive schemata.
2. However, according to some (e.g. Layder, 1994, p. 142) social systems, notably institutions, have more durability and independence from the reasons and motivations of people than Giddens seems to want to admit.
3. We also used the information to devise a list of forty items for the Q-sorts in the next phase. Drawn from the raw data were statements about the managerial strategy of an effective local store manager. The managerial effectiveness model of Quinn and Rohrbach was used to preliminarily categorize these statements. This was done by four researchers who were acquainted with the data as well as with the model and who selected ten statements for each of the four categories.
4. Without telling the researchers about the effectiveness of the selected stores beforehand.
5. Resulting from phase 2
6. The concept local versus organizational factors was operationalized by a list of agreed-upon examples of both.
7. Weaver and Gioia (1994) have argued that Giddens's structurationist framework provides a means to honour both calls for a broader, more unified perspective on organizational inquiry, and demands for metatheoretical and theoretical pluralism, without resorting to the incommensurability thesis.

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